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Five News to Start Your Day

Presidential Covid News Continue

President Trump returned to the White House from Walter Reed Hospital Monday night after a short stay in the Medical Center following his Covid-19 diagnosis. The US president also called for Americans “not to be afraid” of the virus pointing at his own experience with the disease. The Trump campaign is hoping to utilize his fight against Covid to propel his electoral win in Nov.

The Markets

This morning, stocks everywhere opened up and continued mixed as investors are still uncertain around President Trump's health, the volatile possible US election outcomes and the wait for further stimulus. The S&P opened flat after closing at its highest level in a month on Monday. The oil barrel rose above the \$40 level, leading the upward turn in energy stocks.

The Struggle Continues

The US trade deficit widened in August to its largest level since 2006 as imported consumer goods skyrocketed amid a pickup in demand for holiday-shopping season. The goods & services deficit rose to \$67.1B in Aug. The positive balance on services dropped to \$16.8B, the lowest level since 2012. And while exports rose 2.2% compared to the prior month, imports rose 3.2%, with merchandise trade deficit at a record high.

A(nother) Warning From The Fed

The Fed's Chairman Jerome Powell warned of the potential tragic economic consequences that could result if Congress and the White House don't come to an agreement to provide additional support to households and businesses disrupted by the pandemic.

Talks In Hot Water

The EU has no plans to offer concessions to Boris Johnson ahead of next week's Brexit deadline. The international bloc is betting that the UK PM won't make good on his threats to walk away from trade negotiations if he doesn't get what he wants. EU negotiators are ready to let talks drag to Nov. or Dec.

Light At The End

Pfizer and BioNTech announced early this morning that they have started out a “rolling submission” for the approval of their Covid-19 vaccine in the European markets. The pharmaceuticals are in Phase 3, the final phase, of the testing of their current vaccine candidate. Both stocks rose ahead of the news.

Black Holes

Three scientists have been awarded the 2020 Nobel Prize in Physics for their work in understanding black holes. Sir Roger Penrose, Reinhard Genzel and Andrea Ghez were announced this year's winners at a news conference in Stockholm, and will receive a million dollars as reward.

Demanding A Do-Over

Electoral authorities in Kyrgyzstan have annulled the results of the parliamentary elections following violent protests. Protests broke out after only four political parties out of 16 passed the threshold for entry into the parliament in Sunday's election, three of them having close ties to the current president.

A Covid Lawsuit

Madrid's regional government filed a lawsuit Friday evening against the national government regarding the new restrictions came into effect the same day. The regional officials are claiming that the decision cannot be made without a consensus and that it is costing the city 18,000 jobs and 750 million euros every week.

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German Nationalism Is Back

The German government warned that 30 years after the int'l political system helped speed their reunification, nationalistic sentiments could risk everything they have built. Just a year after the fall of the Berlin Wall, the divided parts of Germany were unified. Since then, and specially since the rise of Angela Merkel to power, Germany has been a champion of international cooperation and negotiation. However, many mistakes were made in the integration of the East, and as a result of these mistakes, the region remains behind economically and is underrepresented in high level jobs. Because of this, the far-right has gained strong ground in these parts of the country, where people feel disconnected from the current political system and populism and extremism seems to be sprouting in fertile ground.

Covid Fatigue

Survey data from the WHO reveals that levels of apathy with regards to Covid are rising among some European populations. The organization revealed that the scale of "pandemic fatigue" reached to 60% of the population in some countries. This means that people are feeling less motivated to follow the preventative measures that have disrupted their lives for months.

The WHO warned that populations that are weary must revive efforts to fight the virus. Until a vaccine or an effective treatment measure is available, the preventative measures such as washing your hands, using face covering and social distancing remain the most certain way the world has to fight the virus. With Covid cases rapidly rising in Europe, this survey remains concerning.

The "New" Normal

Cisco Systems Inc, the largest maker of networking equipment in the world, recently surveyed 1,568 executives, knowledge workers and others responsible for employee environments post Covid. According to this survey, more than half of the companies surveyed plan to reduce their office space as they expect that work from home will become a regular fixture, even post-pandemic. The poll found that almost all of the companies were uncomfortable with returning to their offices at the moment because they fear contracting the virus, and that more than three quarters will increase work flexibility post-Covid.

What the poll showed is what we've all been wondering, whether or not post-Covid work spaces will become the new normal. The answer to the question appears to be yes. More than 90% of the respondents said they will not return to their office full time, with 12% planning to work from home all the time, 24% working remotely more than 15 days a month and 22% doing so 8-15 days a month.



**COVID MARKET WINNERS:
LYKO GROUP AB**

Let's take a look at the European stock markets, where the little guys are the ones hitting the home runs. Lyko Group is a Swedish firm that operates online retail stores, that offer anything from cosmetics and beauty products to haircare and skincare products. This year alone, the company, which trades in the Swedish stock market under the ticker LYKOA, has more than doubled this year, outpacing Amazon's growth by 70%. Much like many other small caps, Lyko has the benefit of agility when the environment changes quickly, which has benefitted it greatly in times of Covid. Make sure to keep an eye out for October 23, when they next report earnings.